U.S. Postal Regulatory Commission 901 New York Avenue NW, Suite 200 Washington, DC 20268-0001

RE: 10-Year Rate System Review Docket No. RM2017-3 Order No. 4258 February 20, 2018 2018 MAR -8 P 1: | |

POSTAL REGULATORY
COMMISSION

Dear Commissioners,

As Development Director for the Carmelite Fathers, Inc., and the National Shrine of Our Lady of Mt. Carmel in New York, whose livelihood depends on a sustainable mail output, I am writing to express my **surprise and confusion** at the USPS rate-making authority proposed as a result of your 10-year review established under the *Postal Accountability* and *Enhancement Act*.

Altogether the not-for-profit sector arguably constitutes America's largest industry – and it relies for much of its existence on fundraising mail. My understanding is that by the Postal Regulatory Commission's (PRC) conservative estimates your proposal for Marketing Mail flats raises postal rates by 37%-40% over five (5) years?

During our 2016-2017 fiscal year, the Carmelite friars of Middletown, NY mailed **994,618** pieces of mail by way of spiritual consolation and donation solicitation, in addition to sending over **29,831**pieces of mail responding to requests received and donations made. This equals **over 1 million pieces of mail** sent by the Carmelite Development Center, **processed by branches of the USPS, at least one of these located in a low-income neighborhood**. If we must "go under" as a development operation as a result of your preliminary suggestions proposed, how does this benefit the large Middletown, New York branch of the USPS?

The PRC proposal threatens of the ROI premise upon which our mail supply partners have made capital investments. How does it benefit the USPS if, by so burdening the mail supply chain in this way, PRC proposals inadvertently <u>choke off USPS revenue</u>?

With paper prices expected to increase and ink suppliers announcing increases, it is wise for the PRC to be aware of the "total combined cost" of a mail piece. Your proposal will be perceived as constituting an "added tax" at a time when not-for-profits are still catching their breath following the Great Recession. How much longer will it be before calls to end so called "monopolistic" aspects of the USPS go mainstream – regardless of political affiliation – among everyone from hospitals, to universities, to environmental groups? You will be obliging us to rely on e-blasts and social media its is place.

I am in agreement with others made aware that:

"Of the Postal Service's accumulated \$59.113 billion loss, \$54.8 billion was due solely to the requirement that it **prefund** its financially healthy retiree health plan. Congressional action to eliminate this harmful requirement is what is needed, not excessive rate increases..."

Handing over such rate hike authority to the USPS as currently proposed, far from incentivizing USPS reform, achieves precisely the opposite. It eliminates incentives almost altogether.

Rightly or not, those in my line of work believe that you must surely know this. Can this, truly, be a public legacy which each of you – not merely collectively, but <u>individually</u> – wishes to leave behind?

This question intends no disrespect. We appreciate your public service.

Very respectfully,

Peter J. Mango, PhD, MLIS

Director of Development Carmelite Fathers, Inc.

National Shrine of Our Lady of Mt. Carmel